

Message Text

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PAGE 01 MAPUTO 00660 271027Z
ACTION XMB-04

INFO OCT-01 AF-10 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-01 INR-10 NSAE-00 ICA-20 TRSE-00 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 /073 W
-----005747 271028Z /10

P 261530Z MAY 78
FM AMEMBASSY MAPUTO
TO SECSTATE WASHDC PRIORITY 7046

UNCLAS MAPUTO 0660

DEPT PASS EXIMBANK

E.O.11652: N/A
TAGS: EFIN, MZ
SUBJECT: MOZAMBIQUE LOCOMOTIVE PURCHASE EXIM FINANCING

1. BANK OF MOZAMBIQUE (BM) FOREIGN DEPARTMENT HEAD RIVEIRO
AND MOZAMBIQUE RAILWAYS (CFM) FINANCE DIRECTOR BHATT SUMMONED
EMBOFF TO BM MAY 26 GENERAL ELECTRIC SOUTH AFRICA REP. BOB
HIGHT INFORMED ALL MAPUTO PARTIES THAT EXIMBANK HAD APPROVED
PC78-0-4160 ON MAY 24 INCLUDING THE FOLLOWING TERMS:

- A. FIFTEEN PERCENT CASH
- B. SIXTY PERCENT EXIMBANK DIRECT LOAN AT 8.25 PERCENT IN
TEREST.
- C. 25 PERCENT COMMERCIAL BANK PARTICIPATION (TERMS UNKNOWN)
- D. PAYABE STARTING 3/31/80 IN 16 SEMI ANNUAL INSTALLMENTS.

2. RIBEIRO AND BHATT PLEASED AT REPORT OF FAVORABLE DECISION
ON DIRECT LOAN FOR LOCOMOTIVE PURCHASE. THEY TOLD EMBOFF THAT
REPORT TERMS WOULD PROBABLY BE ACCEPTABLE BUT WITH CONDITION
THAT TERMS AND INTEREST RATE FOR COMMERCIALLY FINANCED SHARE
BE COMPARABLE TO EXIM AND BRAZILIAN TERMS. (BRAZILIAN INTERST
RATE 7.5 PERCENT. TWO YEAR GRACE. 15 PERCENT DOWN PAYMENT
RIBEIRO NOTED THAT 8.25 EXIM INTEREST RATE
WAS HIGHER THAN THEY HAD HOPED IT WOULD BE, BUT HE
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DID NOT THINK THIS WOULD BE A OBSTACLE UNLESS COM
MERCIAL BANK INTEREST RATE IS EVEN HIGHER.

3. REQUEST THAT EXIMBANK CONFIRM SOONEST TO EMBASSY
WHETHER REPORTED APPROVAL WILL BE UNDER TERMS SIMILAR
TO EXIM AND CACEX. IN ORDER TO BEGIN DELIVERY BY
END OF 1978. CFM WANTS TO SIGN AGREEMENT WITHIN NEXT

TWO WEEKS. GE REPS. WILL BE IN MAPUTO JUNE 4-7 FOR
THIS PURPOSE.
MCGUIRE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOAN AGREEMENTS, ROLLING STOCK
Control Number: n/a
Copy: SINGLE
Draft Date: 26 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MAPUTO00660
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780224-0926
Format: TEL
From: MAPUTO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780515/aaaaalws.tel
Line Count: 65
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 18deb695-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2551834
Secure: OPEN
Status: NATIVE
Subject: MOZAMBIQUE LOCOMOTIVE PURCHASE EXIM FINANCING
TAGS: EFIN, MZ, XMB
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/18deb695-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
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